



## LICHFIELD CITY COUNCIL

### DRAFT BUDGET 2017/18

The budget report is based on the Council Tax increasing by 4% to £57.05 (for an average Band D property).

The report shows:

- Actual net expenditure 2015/16 (last year)
- Original budget for 2016/17 (current year)
- Year end estimate for 2016/17
- Draft budget estimates 2017/18
- Balances and reserves for 2015/16, 2016/17 and 2017/18
- The Council Tax analysis for the three years

*The City Council will be maintaining services at their current levels in 2017/18, and carrying out further essential maintenance work on its public buildings and structures. In addition the overall grounds maintenance provision has been subject to comprehensive review to reflect the work currently required by the Council to ensure that the areas of the City for which we are responsible are maintained to a standard that is appreciated by residents and visitors alike.*

*The Council's property portfolio now includes Donegal House, The Guildhall, Samuel Johnson Birthplace Museum, Boley Hall, Curborough Community Centre, Darwin Hall, Borrowcop Gazebo, Cruck House, Market Square, Clock Tower, statues and War Memorial (many of which are listed buildings where repair costs are higher). The total insured value of these buildings is over £13 million. It is important therefore that the Council maintains a healthy Repairs and Renewals fund.*

**Note 1:** *The Service Agreement with Lichfield District Council Operational Services (LDCOS) has been revised in line with LCC requirements and is the subject of a separate report on this agenda.*

**Note 2:** *Lettings income estimates were optimistic in 2016/17 and have been revised for 2017/18.*

**Note 3:** *Reducing income and the need to purchase new equipment in 2017/18 has been reflected in the draft budget.*

**Note 4:** *The draft budget includes up to £5,000 consultancy fees for the reimagining of the Museum as approved by Council on 17 October 2016.*

**Note 5:** *Investment income is forecast to reduce significantly due to reduced interest rates which have been applied to the City Council's accounts from December 2016.*

**Note 6:** *Details of the proposed R&R projects included within this headline figure are the subject of a separate report on this agenda.*

**Note 7:** *The overall Central Establishment costs and employee costs are fully allocated to each service head.*

**The Council approved the Budget Estimates and Report for the 2017/18 financial year totalling £724,910 (including a contribution from reserves of £24,209); and the amount of precept plus council tax support grant for 2017/18 was set at £700,701 [based upon a precept of £672,917 plus £27,784 local council tax support grant] at its meeting of 31 January 2017.**

| <u>Net Expenditure</u>           | ACTUAL 2015/16<br>£ | BUDGET 2016/17<br>£ | ESTIMATE 2016/17<br>YEAR END £ | BUDGET 2017/18<br>£ | Note |
|----------------------------------|---------------------|---------------------|--------------------------------|---------------------|------|
| <b>SERVICE AREAS</b>             |                     |                     |                                |                     |      |
| <i>Parks and Footpaths</i>       | 133,251             | 175,000             | 175,333                        | 208,166             | 1    |
| <i>Guildhall</i>                 | 65,943              | 50,000              | 66,657                         | 62,530              | 2    |
| <i>Community Centres</i>         | 10,081              | 15,000              | 14,545                         | 12,182              |      |
| <i>Markets</i>                   | -38,166             | -50,000             | -38,884                        | -29,885             | 3    |
| <i>Civic</i>                     | 67,407              | 70,000              | 82,470                         | 81,684              |      |
| <i>Grant Aid/Partnerships</i>    | 46,388              | 50,000              | 43,429                         | 50,006              |      |
| <i>Arts/Tourism/Twinning</i>     | 56,788              | 65,000              | 60,091                         | 59,989              |      |
| <i>Johnson Birthplace Museum</i> | 72,844              | 75,000              | 76,385                         | 80,704              | 4    |
| <i>Democratic Services</i>       | 91,228              | 85,000              | 91,877                         | 88,794              |      |
| <i>Investment Interest</i>       | -1,448              | -1,400              | -1,500                         | -110                | 5    |
| <i>Loan Charges</i>              | 0                   | 0                   | 0                              | 0                   |      |
| <i>Agency</i>                    | -18,780             | -12,000             | -18,473                        | -18,615             |      |
| <i>Repairs and Renewals</i>      | 129,206             | 130,000             | 119,785                        | 129,463             | 6    |
| <i>Capital Projects</i>          | 0                   | 25,000              | 28,229                         | 0                   |      |
|                                  |                     |                     |                                |                     |      |
| <b>SUB TOTALS</b>                | 638,674             | 676,600             | 699,944                        | 724,910             | 7    |
| <b>PRECEPT + LTCSG</b>           | 648,350             | 674,763             | 674,763                        | 700,701             |      |
| <b>To/(From) Balances</b>        | 9,676               | (1,837)             | (25,181)                       | (24,209)            |      |

| <u>Balances and Reserves</u>           | ACTUAL<br>2015/16 £ | BUDGET 2016/17<br>£ | ESTIMATE 2016/17<br>YEAR END £ | BUDGET 2017/18<br>£ |  |
|--|---------------------|---------------------|--------------------------------|---------------------|--|
| <i>Opening Balance (1 April)</i>       | 813,908             | 790,068             | 823,584                        | 798,403             |  |
| <i>To/(From) balances</i>              | 9,676               | (1,837)             | (25,181)                       | (24,209)            |  |
| <i>Closing Balance</i>                 | 823,584             | 788,231             | 798,403                        | 774,194             |  |
| <b><u>Closing balance held as:</u></b> |                     |                     |                                |                     |  |
| <i>Repairs/Renewals (Revenue)</i>      | 369,975             | 353,000             | 353,000                        | 353,000             |  |
| <i>General Revenue Reserves</i>        | 453,609             | 435,231             | 445,403                        | 421,194             |  |
| <i>Capital Funds</i>                   | 0                   | 0                   | 0                              | 0                   |  |
|  |                     |                     |                                |                     |  |
| <b>TOTALS</b>                          | 823,584             | 788,231             | 798,403                        | 774,194             |  |

| <u>Council Tax Analysis</u> | ACTUAL 2015/16 | BUDGET 2016/17 | BUDGET 2017/18 |
|-----------------------------|----------------|----------------|----------------|
| <i>Precept</i>              | £611,674       | £640,693       | £672,917       |
| <i>LCTSG</i>                | £36,676        | £34,070        | £27,784        |
| <i>Precept + LCTSG</i>      | £648,350       | £674,763       | £700,701       |
| <i>Apportioned Tax Base</i> | £11,596        | £11,677        | £11,795        |
|                             |                |                |                |
| <b>RESULTANT BAND D TAX</b> | £52.75         | £54.86         | £57.05         |